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**STATE TREASURER ISSUES ASSURANCES TO LOCAL GOVERNMENTS ON STATE  
INVESTMENT POOL**  
**Funds are not at risk as in other states around the country**

(Columbia, SC...) Given the recent turmoil in the financial markets and national newspaper accounts of activities in other states (ie Florida), State Treasurer Converse Chellis has issued the following statement:

"I want to assure all public entities and local governments across South Carolina that have funds invested in the State Treasurer's 'Local Government Investment Pool' (LGIP), that the funds are safe. South Carolina's portfolio does not include, as in some other states, Structured Investment Vehicles (SIV) or Collateralized Debt Obligations (CDO's). Consequently, investments have not been affected by these securities and we are still achieving a competitive rate of return."

In a letter sent today to all public entities invested in the State Pool, Treasurer Chellis reassured all investors that the State Treasurer's Office maintains a high quality portfolio that offers competitive rates of return, and that our policy is not to take on an imprudent level of risk in order to achieve a marginally higher rate.

Chellis said, "As an investor of tax dollars, my foremost concern is the return "of" principal, not just return "on" principal.

The State currently has 525 public entities and local governments investing in the LGIP. Total investments in the Pool currently stand at just under \$2 billion dollars.